VZCZCXRO8537 PP RUEHPA DE RUEHUJA #1155/01 1581322 ZNY CCCCC ZZH P 071322Z JUN 07 FM AMEMBASSY ABUJA TO RUEHC/SECSTATE WASHDC PRIORITY 9777 INFO RUEHZK/ECOWAS COLLECTIVE RUEHWR/AMEMBASSY WARSAW 0353 RUEHCD/AMCONSUL CIUDAD JUAREZ 0354 RUEHOS/AMCONSUL LAGOS 7059 RHEBAAA/DEPT OF ENERGY WASHINGTON DC RUEHC/DEPT OF LABOR WASHDC RHEHNSC/NSC WASHINGTON DC RUEAIIA/CIA WASHINGTON DC RUEKDIA/DIA WASHDC RHMFISS/HQ USEUCOM VAIHINGEN GE RUFOADA/JAC MOLESWORTH RAF MOLESWORTH UK

C O N F I D E N T I A L SECTION 01 OF 02 ABUJA 001155

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DEPT FOR DRL, AF/W DOL FOR SUDHA DALEY DOE FOR CAROLYN GAY

E.O. 12958: DECL: 06/06/2017 TAGS: <u>ELAB PGOV PREL KDEM NI</u>

SUBJECT: NIGERIA: LABOR LEADERS EXPLAIN POST-ELECTION

ACTIONS

REF: ABUJA 1091

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Classified By: Deputy Political Counselor Heather Merritt for reasons 1 .4. (b & d).

- 11. (C) SUMMARY. President of the Nigeria Labour Congress (NLC) Adulwaheed Ibrahim Omar and President of the Trade Union Congress (TUC) Peter Esele told Poloff they had made a conscious decision not to call their union members into the street following the April elections. The labor leaders sought to avoid "anarchy," which could have provided Obasanjo with reason to declare a state of emergency and postpone the transition. The labor leaders believe they did their part to keep the peace and what they want from Yar'adua in return is to be heard. The 14-day ultimatum is a shot over Yar'adua's bow and, according to Omar, the length of the strike will depend on the engagement of the GON in the coming days. Esele indicated the crux of the problem is a lack of consultation with labor. The two said they expect a favorable working relationship with Yar'adua himself, though they are concerned about the influence of those around him. They have not been able to meet with Yar'adua since the elections. END SUMMARY.
- 12. (SBU) Poloff met with Nigeria Labor Congress (NLC) President Adulwaheed Ibrahim Omar, Trade Union Congress (TUC) President Peter Esele and NLC Parliamentary Liaison Officer Benson Upah on June 6 to talk about the elections, the 14-day ultimatum, and prospects for working with the new administration.

LABOR'S REACTION TO THE APRIL ELECTIONS

13. (C) Omar and Esele told Poloff the two met immediately after the failed elections and made a conscious decision to keep the peace. They decided against calling for a strike that would bring people into the street, indicating they felt the outcome would be anarchy, which could provide Obasanjo with reason to declare a state of emergency and postpone the transition. The labor leaders viewed the possibility of a

non-elected interim government as no better than a coup-installed military government. The result, according the Esele, is still a non-elected government that has no legitimacy and no reason to answer to the people. That said, they were both quick to point out that Yar'adua also has a crisis of legitimacy on his hands -- all the more reason, according to Esele, that he needs to listen to what labor has to say. Omar told Poloff the leaders believe strongly that labor "is not an opposition to the government, but a check on the government." He pointed out that labor's situation is very different than that of civil society because labor has to maintain a relationship with the government in order to serve its constituents.

14. (C) Omar told Poloff the NLC and TUC teamed up for the May Day celebration and kept a tight reign on the events in order to ensure that they could keep they day peaceful and labor-focused. The May 28-29 sit-at-home strike (reftel) was also planned as a way to vent frustration, but keep people at home (i.e., not on the streets). (NOTE: Esele told Poloff Obasanjo called him at 4 am on May 25, telling him to call off the strike. Esele ignored the request.)

THE 14-DAY ULTIMATUM

- 15. (C) Omar described their plan in the post-election period as "checkmating" Yar'adua. Omar and Esele told Poloff they did what they could to promote peace after the elections. What they want from Yar'adua in return is engagement and dialog. Esele commented that "its too early in the day (for Yar'adua) to pick a fight with labor, especially given the legitimacy questions."
- 16. (SBU) On May 31, the two organizations issued a 14-day ultimatum to the GON calling for four specific actions: (1)

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rescind the fuel price increase announced by Obasanjo on May 26 from 65 to 75 Naira per liter, (2) rescind the recent VAT increase from five to ten percent, (3) reverse the sale of the Port Harcourt and Kaduna refineries and (4) implement the 15 percent salary hike for public servants in effect from January 2007. The ultimatum indicates the NLC and TUC are prepared to call for an indefinite national strike if their demands are not met.

- 17. (C) Omar told Poloff that in actuality the duration of a strike would depend entirely on the level of engagement from the GON. What they are after in this case is not fulfillment of all four demands. Rather, they are seeking dialog and consultation. Omar said the he and Esele are prepared to be flexible and that privatization of the refineries (for example) is not necessarily a bad thing. Even a reduction of the workforce at the refineries would not be uncalled for, he admitted. What labor wants, however, is consultation and a procedure that ensures payments of wage arrears and severance packages.
- 18. (SBU) The two labor leaders reported they have had no contact with the GON since the inauguration. In fact, Omar said the ultimatum had become necessary because they had received no response to their joint letter sent to Yar'adua following the inauguration. According to Omar, they had waited three days for a response and then, when none arrived, issued the ultimatum. (NOTE: Yar'adua's administration has yet to acknowledge receipt of the letter.) Omar and Esele were both optimistic that the GON would respond to their ultimatum, though they noted that in true Nigerian style, it would be only at the last possible moment.
- 19. (C) COMMENT. The lack of contact with the GON is not a good sign and in the end the 14-day ultimatum may be the victim of bad timing. With no new Labor Minister yet appointed and the Permanent Secretary "forcibly retired" in late May, there is no one at the Ministry of Labour to

mediate the negotiations and it seems likely that labor may have to live up to their threat to strike. END COMMENT.

LOOKING BACK, LOOKING FORWARD

110. (C) Omar and Esele were both optimistic about the Yar'adua presidency, though they expressed concern about the influence those close to Yar'adua may have. The criticized the Obasanjo administration, saying that Obasanjo had promoted a pure form of cronyism concerned only with amassing wealth. They told Poloff they believe Yar'adua will take action against corruption and be a supporter of labor. The crux of the labor problem now, according to Esele, is lack of consultation. Both agreed they expect a change under Yar'adua's leadership. CAMPBELL